

Minutes of the
Nebraska Water Policy Task Force Meeting
November 18, 2005
Sandhills Convention Center, North Platte, Nebraska

Attendance:

Task Force Members

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|----------------|-----------------|--------------------|
| Brian Bartels | Patrick Heath | Steve Huggenberger |
| Dan Crouchley | Lumir Jedlicka | Jay Rempe |
| Eugene Glock | Robert Ambrosek | Claude Cappel |
| John Turnbull | Lorrie Benson | Curt Friesen |
| Gary Mader | Dick Mercer | Gloria Erickson |
| Clint Johannes | Ron Bishop | Dave Sands |
| Jim Nelson | Denny Strauch | Al Schmidt |
| Lloyd Nellor | Tom Schwarz | Richard Uhrenholdt |
| Jim Meisner | Dan Smith | Lyle Henrichs |
| Dave Nelson | Don Suda | Greg Whitmore |
| Nancy Eberle | Don Kraus | Ann Bleed |
| David Cookson | Nelson Trambley | Ed Schrock |

Others

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| Russ Callan | Butch Koehlmoos | Kent Miller |
| Don Adams | David Hendee | David Kracman |
| John Thorburn | Tina Kurtz | Bernard Fehringer |
| Jonathan Bartsch | Steve Gaul | Art Hovey |
| Ann Diers | Lash Chaffin | Jasper Fanning |
| Justin Lavene | Jim Goeke | John Thorburn |
| Mike Clements | | |

Call to order/Administrative

Jonathan Bartsch called the meeting to order at 1:00 P.M. He reported that the Executive Committee had recommended that the next meeting be a full task force meeting with no executive committee meeting and that it take place December 22, 2005 at the Sandhills Convention Center in North Platte. Bartsch asked for a show of hands and there was a task force consensus to follow that approach. Bartsch later suggested that the meeting take place from 10:00 A.M. to 3:00 P.M., with the potential for subcommittee meetings in the morning. Bartsch asked if there were any suggested changes to the draft minutes of the October 6, 2005, task force meeting. There were no comments and he indicated the minutes would be considered to be approved.

Municipal Subcommittee Report

Lash Chaffin reported that since the October Task Force meeting the Municipal Subcommittee had reinvented the wheel through reconsidering their proposal. He said the subcommittee's initial goal had been to allow municipalities to have a tool to respond to population growth in area under allocations. The subcommittee is still working on that proposal. Chaffin indicated that several Executive Committee members had indicated concerns with the proposal in the morning session. He said subcommittee members had met again at lunch, and that further subcommittee discussion was needed.

Funding Subcommittee Report

Eugene Glock reported that the funding subcommittee was continuing to recommend a state-local funding package for Administrative costs related to LB962. In addition the subcommittee is now recommending state approval of a combined total of \$0.03 in addition tax levy authority in NRDs with overappropriated and compact areas. However, he reported that the subcommittee had not yet reached final conclusions on the issue of incentives for overappropriated and compact areas. He reported that the state-local funding package was recommended to include \$3 ½ million in state funding of which \$1 ½ million would be funding for the Department of Natural Resources administrative activity and studies/research. The other \$2 million would go to Natural Resources Districts for administration and they would match this with \$4 million in local NRD funds. The \$0.03 in additional tax levy authority for NRDs with overappropriated or compact areas represents \$0.02 increase over the subcommittee's previous recommendation. It was anticipated the \$0.02 would be used for incentives for retiring land from irrigation or other water saving measures. While it was indicated that the monies could be used as match for state funds one Task Force member indicated that NRDs should not be locked out of using the funds if no match were available.

One task force member indicated he had seen information indicating that the \$0.02 could raise about \$4 million in the Platte and Republican Basins. Bartsch asked for a show of hands on whether the task force supported an increase of a total of \$0.03 in NRD tax authority in NRDs with overappropriated and compact areas. Two members indicated opposition. Another member indicated that would be tough on the landowners in the Republican Basin. A member indicated that putting a bigger tax burden on the Republican doesn't solve the problem and that it was time to show a little more compassion. Another member indicated that the \$0.02 would provide a 10-15% portion of the total needed and that the rest would need to come from the state. His fear was that the state would not provide it. One member indicated that he didn't think his NRD would pass the tax levy even if it was allowed and that even if they did it would not take the state off the hook.

An NRD manager from a Compact area indicated that there already was a local share because his NRD had made a commitment to a very strict allocation. He asked at what point in time would a cap be put on the local share. A task force member suggested that in order to get state funds, financial support needed to be shown at the local level. Another task force member suggested

that everything needed to be done now to avoid going to court. Another task force member asked whether we could fund our way out of the problem in the Republican. A task force member responded no but that it could be solved with resources local areas have themselves. He indicated that if little is done on the local level it will be impossible to twist the arms of legislators.

Bartsch again asked for a show of hands on whether the group supported the recommendation to authorize \$0.03 additional NRD tax authority in NRDs with overappropriated and compact areas. This time no members indicated opposition.

Instream Flow Subcommittee Report

Bishop reported that the Instream Flow Subcommittee would be meeting again December 14, 2005, in the Kearney NPPD offices to examine other options for how the Department of Natural Resources can address instream flows in fully appropriated areas. He indicated that one option to be examined involved regulating junior users on a first in time first in right basis but, when making a fully appropriated determination, determining if those junior rights had been eroded by subsequent groundwater development.

Surface Water Rights Subcommittee

Ann Bleed brought up several cleanup items that had been discussed by the Surface Water Rights Subcommittee. There were additions to the items recommended by the subcommittee and agreed upon by the Task Force at its October 6, 2005 meeting for suggested submittal as proposed legislation by the Department. The items involved a change to 46-290(1)(a) to allow transfers of supplemental rights, and dealt with wells within 50 feet of a stream. In addition there was discussion of the issue of well spacing when the older well is and illegal well. No action was taken on this item.

Adjournment

The meeting adjourned at 2:26 P.M.